
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 616 Session of
1989

INTRODUCED BY MARKOSEK, LaGROTTA, GIGLIOTTI, CORRIGAN, BELARDI,
KOSINSKI, McCALL, DeLUCA, BISHOP, FREEMAN, ITKIN, BILLOW,
DALEY, WASS, PRESTON, COHEN, PETRONE, JAMES, McNALLY, TRELLO,
BELFANTI, LEVDANSKY, PISTELLA, VEON, STABACK AND RYBAK,
MARCH 6, 1989

REFERRED TO COMMITTEE ON LABOR RELATIONS, MARCH 6, 1989

AN ACT

1 Providing for cost-of-living increases in the amount of
2 compensation payable to a recipient of workmen's
3 compensation; creating a Workmen's Compensation COLA Fund;
4 further providing for the powers and duties of the Department
5 of Labor and Industry; and making an appropriation.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Workmen's
10 Compensation COLA Fund Act.

11 Section 2. Annual cost-of-living adjustment.

12 The amount of workmen's compensation payable to a recipient
13 under the act of June 2, 1915 (P.L.736, No.338), known as The
14 Pennsylvania Workmen's Compensation Act, shall be increased on
15 July 1 annually.

16 Section 3. Rate of adjustment.

17 The rate of adjustment shall be identical to the percentage
18 increase in the cost of living for the immediately preceding,

1 completed calendar year, as published by the United States
2 Department of Labor.

3 Section 4. Duty of Department of Labor and Industry.

4 Each cost-of-living adjustment, or COLA, to the amount of
5 workmen's compensation payable to a recipient under the act of
6 June 2, 1915 (P.L.736, No.338), known as The Pennsylvania
7 Workmen's Compensation Act, shall be paid out of the Workmen's
8 Compensation COLA Fund, and the Department of Labor and Industry
9 shall administer the program and shall insure that timely
10 payments are made. The department shall determine annually the
11 amount necessary to fund the adjustment.

12 Section 5. Fund created.

13 The Workmen's Compensation COLA Fund is created in the
14 Department of Labor and Industry, to be funded as follows:

15 (1) An initial appropriation, under section 8, of the
16 General Assembly.

17 (2) Contributions from workers, as the term is defined
18 under the act of June 2, 1915 (P.L.736, No.338), known as The
19 Pennsylvania Workmen's Compensation Act.

20 (3) Contributions from each employer in this
21 Commonwealth.

22 Section 6. Workers' contributions.

23 The Department of Labor and Industry shall determine
24 annually, based on its determination under section 4 of the
25 amount necessary to fund the adjustment, the amount which shall
26 be deducted from the gross income of workers in this
27 Commonwealth, as the term "worker" is defined in the act of June
28 2, 1915 (P.L.736, No.338), known as The Pennsylvania Workmen's
29 Compensation Act.

30 Section 7. Employers' contributions.

1 The Department of Labor and Industry shall determine
2 annually, based on its determination under section 3 of the
3 amount necessary to fund the adjustment, the amount which shall
4 be deducted from the gross profit of employers in this
5 Commonwealth.

6 Section 8. Appropriation.

7 The sum of \$1,000,000, or as much thereof as may be
8 necessary, is appropriated to the Department of Labor and
9 Industry to provide the initial contribution to carry out the
10 provisions of this act in its first year of effect.

11 Section 9. Effective date.

12 This act shall take effect in 60 days.